

GOVERNMENT OF PUDUCHERRY

Abstract

Home (Police) – Acceptance of deposits by unincorporated bodies over and above the permitted limits - Empowering the Police officers to apply to Courts for issue of warrant to search and to make complaint to Courts under the provisions of the Reserve Bank of India Act, 1934 – Notification – Order - Issued.

HOME DEPARTMENT

G.O.Ms.No. 1

Puducherry, dated 05.01.2022

Read: (1) Letter No. DNBS/SLCC NO.523/13.14.004/2019-20, dated 28.11.2019 of Reserve Bank of India, Chennai.
(2) Note No.5094/SP(HQ)/D9/2021/E.II(A), dated 09.08.2021 of Police Department, Government of Puducherry.

ORDER:

The Reserve Bank of India, Department of Non-Banking Supervision, Chennai has informed the Government of Puducherry that the Reserve Bank of India Act, 1984 has been amended incorporating new provisions namely Chapter III C containing sections 45S and 45T for regulating the acceptance of deposits by unincorporated bodies.

Section 45S of the Reserve Bank of India Act, 1934 states as follows:

“Deposits not to be accepted in certain cases.-

(1) No person, being an individual or a firm or an unincorporated association of individuals shall, accept any deposit—

(i) If his or its business wholly or partly includes any of the activities specified in clause (c) of section 45-1; or

(ii) If his or its principal business is that of receiving of deposits under any scheme or arrangement or in any other manner or lending in any manner:

Provided that nothing contained in this sub-section shall apply to the receipt of money by an individual by way of loan from any of his relatives or to the receipt of money by a firm by way of loan from the relative or relatives of any of the partners.

2. The Reserve Bank of India have suggested that the notifications may be issued authorizing the Police Officers of the Government of Puducherry not below the rank of Inspectors of Police to apply to Courts for issue of warrant to search the documents relating to acceptance of deposits by unincorporated bodies and also to make complaint to the competent Courts for offences under the Reserve Bank of India Act, 1934. The Government of Puducherry accepts the above suggestion and issue the following notifications, namely:-

Notification No.I

Under sub-section(1) of section 45 T of the Reserve Bank of India Act, 1934 (Central Act II of 1934), approval of the Lieutenant-Governor, Puducherry is hereby accorded to authorizes the Police Officers not below the rank of Inspector of Police to apply to any Court having jurisdiction to issue a search warrant under the Code of Criminal Procedure, 1973, (Central Act II of 1974) stating his belief that certain documents relating to acceptance of deposits in contravention of the provisions of section 45S are secreted in any place within the local limits of the jurisdiction of such Court, for issue of a warrant to search for the documents.

Notification No.II

Under the proviso to sub-section (1) of section 58-E of the Reserve Bank of India Act, 1934 (Central Act II of 1934), approval of the Lieutenant-Governor, Puducherry is hereby accorded to authorize the Police Officers not below the rank Inspector of Police to make complaint in writing in respect of any offence punishable under sub-section (5A) of section 58-B to any Court having power to try any such offence.

...3...

3. The Director General of Police is requested to issue instruction to the Police Officers thus empowered in this regard that they should ensure that any action taken by them does not result in undue harassment to the trading community who might be accepting deposits in the normal course of business.

// BY ORDER OF THE LIEUTENANT-GOVERNOR //



(M.V. HIRAN)

UNDER SECRETARY TO GOVERNMENT

To

The Director General of Police, Puducherry.

Copy to:

1. The Deputy General Manager, Department of Non-Banking Supervision,
Reserve Bank of India, Fort Glacis, 16, Rajaji Salai, Chennai – 600001.
2. The Central Records Branch, Puducherry.
3. G.O. file.
4. Stock file.